

RHB CHINA-INDIA DYNAMIC GROWTH FUND

This Fund aims to achieve medium to long term* capital appreciation through investing mainly in the securities of corporations in, or corporations listed or to be listed on stock exchanges in, or corporations (wherever located) which, in the opinion of the managers, derive significant revenue or profits from or have significant assets or business interests in, the People's Republic of China ("China") or the Republic of India ("India").

*Note: "medium to long term" in this context refers to a period of between 3 - 7 years.

INVESTOR PROFILE

This Fund is suitable for investors who:

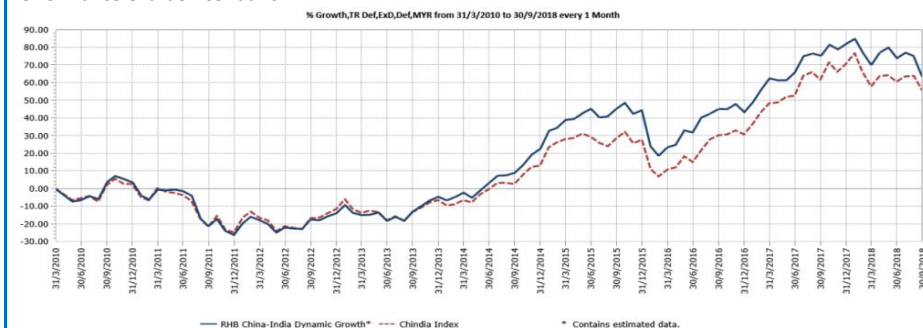
- wish to tap the growth prospects of two emerging growth engines of the world i.e. China and India;
- are willing to accept a higher risk in their investments to obtain potentially higher returns in the medium to long term; and
- seek capital appreciation.

INVESTMENT STRATEGY

- At least 95% of NAV: Investments in the units of United China-India Dynamic Growth Fund.
- 2% - 5% of NAV: Investments in liquid assets including money market instruments and deposits with financial institutions.

FUND PERFORMANCE ANALYSIS

Performance Chart Since Launch*



Cumulative Performance (%)*

	1 Month	3 Months	6 Months	YTD
Fund	-6.57	-5.98	-3.90	-10.28
Benchmark	-5.02	-3.07	-1.39	-8.82

	1 Year	3 Years	5 Years	Since Launch
Fund	-6.69	12.54	87.66	63.34
Benchmark	-3.78	21.19	79.56	55.56

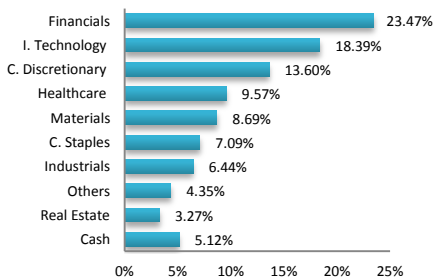
Calendar Year Performance (%)*

	2017	2016	2015	2014	2013
Fund	27.15	-0.90	17.79	28.49	10.79
Benchmark	30.57	2.34	13.06	20.88	5.73

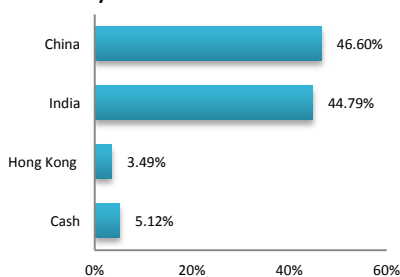
Source: Lipper IM

FUND PORTFOLIO ANALYSIS

Sector Allocation*



Country Allocation*



Top Holdings (%)*

TENCENT HOLDINGS LTD	4.33
ALIBABA GROUP HOLDING LTD	3.82
BAJAJ FINANCE LTD	3.25
CHINA CONSTRUCTION BANK CORP	2.78
HDFC BANK LTD	2.37

*As percentage of NAV

*Source: UOBAM, 30 September 2018. Exposure in United China India Dynamic Growth Fund - 96.54%

FUND STATISTICS

Historical NAV (RM)

	1 Month	12 Months	Since Launch
High	0.8741	0.9472	0.9472
Low	0.8167	0.8167	0.3648

Source: Lipper IM

FUND DETAILS

Manager	RHB Asset Management Sdn. Bhd.
Trustee	TMF Trustees Malaysia Bhd
Fund Category	Feeder Fund
Fund Type	Growth Fund
Launch Date	11 March 2010
Unit NAV	RM0.8167
Fund Size (million)	RM35.23
Units In Circulation (million)	43.14
Financial Year End	31 July
MER (as at 31 July 2018)	0.54%
Min. Initial Investment	RM1,000.00
Min. Additional Investment	RM100.00
Benchmark	50% MSCI China Index (RM) + 50% MSCI India Index (RM)
Sales Charge	Up to 5.50% of investment amount*
Redemption Charge	None
Annual Management Fee	1.80% p.a. of NAV*
Annual Trustee Fee	0.08% p.a. of NAV, subject to a min. of RM18,000 p.a.*
Switching Fee	RM25.00 per switch*
Redemption Period	Within 10 days after receipt the request to repurchase
Distribution Policy	None

*All fees and charges payable to Manager and the Trustee are subject to any applicable taxes and/or duties and at such rate as may be imposed by the government from time to time.

For the purpose of computing the annual management fee and annual trustee fee, the NAV of the Fund is exclusive of the management fee and trustee fee for the relevant day.

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MANAGER’S COMMENTS

CHINA MARKET COMMENTARY

SSE 50 China A Share rose 7.16% and MSCI China rose 0.47% (JPY terms) in the month of Sep 2018.

Sentiment in the region remained cautious amid in the ongoing US-China conflict. The US’s additional 10% tariff on \$200bn of Chinese goods and China’s additional 5-10% tariff on \$60bn of US goods took place on Sep 24. The tariff rates will increase to 25% and 5-25% respectively on Jan 1, 2019

The ‘A’ share market had a rebound from the low point on 12th September, as government institutions started buying stocks and stimulus measures were announced.

August 2018 activity data came in mixed. Retail sales increased 9.0% mom vs July +8.8%, Industrial Production rose modestly to 6.1% yoy (July: 6.0%). FAI growth eased further to 5.3%/yoy ytd, mainly dragged by the sluggish infra investment. TSF flow came in higher than expected at CNY1.52tn, while growth rate eased to 10.1% yoy (July: 10.3%). NBS manufacturing PMI came in weaker than expected in September at 50.8. New export orders fell 1.4-pt to 48. On the domestic front, regulators announced measures aimed at reducing the negative impact from the trade war. This includes lowering the import tariff on 1,585 products starting from Nov 1, and provides guidelines to support consumer spending. Authorities also clarified that social security contribution burden will not increase. Sector-wise, energy, industrials and consumer staples outperformed. Healthcare, real estate and consumer discretionary lagged.

INDIA MARKET COMMENTARY

MSCI India fell 8.84% (MYR terms), Sensex fell 7.96% (MYR terms) and Nifty fell 8.12% (MYR terms) in Sep 2018.

Equity market corrected sharply during the month on the back of default by IL&FS and its subsidiaries on their debt obligations. Inability of an entity which was till recently rated as AAA (the highest credit rating for non-Government securities), created panic in the market which spread to not just other stocks within the Financial Services segment but also to many other sectors. Sensex started the month at 38645.07 and closed at 36227.14, ~6.2% lower over the month. Nifty started at 11680.50 and closed at 10930.45, lower by ~6.4% over the month. As per latest data, FIs were net sellers in Equity with outflow of USD 1.33 Bn and in Fixed Income with outflow of USD 1.45 Bn. Domestic Institutions were net buyers in equities with net buying of USD 1.09 Bn in the month.

MARKET OUTLOOK

Indian equity market corrected sharply during the month driven primarily by stocks within the Non Banking Financial Services segment following concerns of a liquidity crisis in the system borne out of the default by IL&FS Ltd and its subsidiaries. The situation quickly got extrapolated by market participants to all NBFCs leading to concerns that these entities will have to compromise on growth as availability of funds gets restricted due to a liquidity crisis. The panic also spread to other sectors like Automobiles, Real Estate, etc where demand is interest rate sensitive. These developments, together with the continued news-flow on US-China trade tariffs, kept the market under pressure. The Target Fund Manager believes that the recent sharp fall, especially in Financial Sector companies, is an over-reaction to an event which is related to just one entity and not representative of a system-wide crisis. Both Gol and RBI have stepped in to assuage the situation and are taking requisite measures to prevent the issue from escalating. In the Target Fund Manager’s opinion, this is a temporary disruption and shall have no long term bearing on the liquidity in the system or the growth potential of the economy.

DISCLAIMER:

Based on the fund’s portfolio returns as at 15 September 2018, the Volatility Factor (VF) for this fund is 13.6 and is classified as “Very High”. (source: Lipper) “Very High” includes funds with VF that are more than 11.1 (source: Lipper). The VF means there is a possibility for the fund in generating an upside return or downside return around this VF. The Volatility Class (VC) is assigned by Lipper based on quintile ranks of VF for qualified funds. VF is subject to monthly revision and VC will be revised every six months. The fund’s portfolio may have changed since this date and there is no guarantee that the fund will continue to have the same VF or VC in the future. Presently, only funds launched in the market for at least 36 months will display the VF and its VC. The VC referred to was dated 30 June 2018 which is calculated once every six months and is valid until its next calculation date, i.e. 31 December 2018.

A Product Highlights Sheet (“PHS”) highlighting the key features and risks of the Fund is available and investors have the right to request for a PHS. Investors are advised to obtain, read and understand the PHS and the contents of the Master Prospectus dated 6 October 2017 and its supplementary(ies) (if any) (“the Master Prospectus”) before investing. The Master Prospectus has been registered with the Securities Commission Malaysia who takes no responsibility for its contents. Amongst others, investors should consider the fees and charges involved. Investors should also note that the price of units and distributions payable, if any, may go down as well as up. Where a distribution is declared, investors are advised that following the issue of additional units/distribution, the NAV per unit will be reduced from cum-distribution NAV to ex-distribution NAV. Any issue of units to which the Master Prospectus relates will only be made on receipt of a form of application referred to in the Master Prospectus. For more details, please call 1-800-88-3175 for a copy of the PHS and the Master Prospectus or collect one from any of our branches or authorised distributors.

The Manager wishes to highlight the specific risks of the Fund are management risk and foreign investment risks such as currency risk and country risk and the specific risks of the Target Fund are equity risk, single country, sector and regional risk, small and medium capitalisation companies risk, repatriation risk, regulatory risk, taxation risk and political risk. These risks and other general risks are elaborated in the Master Prospectus.

This factsheet is prepared for information purposes only. It does not have regard to the specific investment objectives, financial situation and the particular needs of any specific person who may receive it. Past performance is not necessarily a guide to future performance. Returns may vary from year to year.

RHB Asset Management Sdn Bhd (174588-x)

Head Office: Level 8, Tower 2 & 3, RHB Centre, 50400 Kuala Lumpur

General Line: 603-9205 8000